

READ INSTRUCTIONS CAREFULLY  
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION  
REMITTANCE ADVICE

STAMP AND RETURN

Approved by OMB  
3060-0589

Page: 1 of 1

(1) LOCKBOX # <b>358140</b>		FCC/RECEIVED DEC 15 2004		SPECIAL USE ONLY	
				FCC USE ONLY	
SECTION A - PAYER INFORMATION					
(2) PAYER NAME (if paying by credit card enter name exactly as it appears on the card) <b>Northwest Communications Cooperative</b>			(3) TOTAL AMOUNT PAID (U S Dollars and cents) <b>\$6.840.00</b>		
(4) STREET ADDRESS LINE NO 1 <b>P.O. Box 38</b>					
(5) STREET ADDRESS LINE NO 2					
(6) CITY <b>Rav</b>			(7) STATE <b>ND</b>	(8) ZIP CODE <b>58849-0038</b>	
(9) DAYTIME TELEPHONE NUMBER (include area code) <b>(701) 628-7031</b>			(10) COUNTRY CODE (if not in U S A )		
FCC REGISTRATION NUMBER (FRN) REQUIRED					
(11) PAYER (FRN) <b>0002 4776 93</b>			(12) FCC USE ONLY		
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C) COMPLETE SECTION BELOW FOR EACH SERVICE. IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET					
(13) APPLICANT NAME <b>Northwest Communications Cooperative</b>					
(14) STREET ADDRESS LINE NO 1 <b>P.O. Box 38</b>					
(15) STREET ADDRESS LINE NO 2					
(16) CITY <b>Rav</b>			(17) STATE <b>ND</b>	(18) ZIP CODE <b>58849-0038</b>	
(19) DAYTIME TELEPHONE NUMBER (include area code) <b>(701) 628-7031</b>			(20) COUNTRY CODE (if not in U S A )		
FCC REGISTRATION NUMBER (FRN) REQUIRED					
(21) APPLICANT (FRN) <b>0002 4776 93</b>			(22) FCC USE ONLY		
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET					
(23A) CALL SIGN/OTHER ID		(24A) PAYMENT TYPE CODE <b>BEA</b>		(25A) QUANTITY <b>1</b>	
(26A) FEE DUE FOR (PTC)		(27A) TOTAL FEE <b>\$6,840.00</b>		FCC USE ONLY	
(28A) FCC CODE 1		(29A) FCC CODE 2			
(23B) CALL SIGN/OTHER ID		(24B) PAYMENT TYPE CODE		(25B) QUANTITY	
(26B) FEE DUE FOR (PTC)		(27B) TOTAL FEE		FCC USE ONLY	
(28B) FCC CODE 1		(29B) FCC CODE 2			
SECTION D - CERTIFICATION					
CERTIFICATION STATEMENT I, _____, certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief.					
SIGNATURE _____			DATE _____		
SECTION E - CREDIT CARD PAYMENT INFORMATION					
MASTERCARD _____ VISA _____ AMEX _____ DISCOVER _____					
ACCOUNT NUMBER _____			EXPIRATION DATE _____		
I hereby authorize the FCC to charge my credit card for the service(s)/authorization herein described.					
SIGNATURE _____			DATE _____		

LUKAS, NACE, GUTIERREZ & SACHS

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1650 TYSONS BOULEVARD  
SUITE 1500  
MCLEAN, VA 22102  
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FAX: 703-584-8696

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December 15, 2004

Federal Communications Commission  
Wireline Competition Services – PPI  
Tariffs Accounting Rule Waiver  
PO Box 358140  
Pittsburgh, Pennsylvania 15251-5140

Dear Sir or Madam:

On behalf of Northwest Communications Cooperative (FRN: 0002477693) (“NCC”) and Noonan Farmers Telephone Company (FRN: 0004382958), there is submitted herewith a “Petition for Waiver to Change Study Area Boundaries.”

This submission includes FCC Form 159 and a check from NCC in the amount of \$6,840.00 in payment of the required filing fee.

Should any questions arise, please communicate directly with this office.

Very truly yours,

  
David L. Nace

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D. C. 20554**

In the Matter of	)	
	)	
<b>NORTHWEST COMMUNICATIONS</b>	)	File No. _____
<b>COOPERATIVE</b>	)	
	)	
<b>NOONAN FARMERS TELEPHONE</b>	)	
<b>COMPANY</b>	)	
	)	
Petition of Local Exchange Carriers	)	
Carriers for Waiver of "Study Area"	)	
Boundaries as defined in Appendix –	)	
Glossary of Part 36 in Connection with	)	
a Proposed Acquisition of Assets of	)	
Noonan Farmers Telephone Company by	)	
Northwest Communications Cooperative	)	
Regarding the Companies' Exchange Areas	)	
in the State of North Dakota	)	

To: Wireline Competition Bureau, Telecommunications Access Policy Division

**PETITION FOR WAIVER TO CHANGE STUDY AREA BOUNDARIES**

Northwest Communications Cooperative ("NCC") and Noonan Farmers Telephone Company ("NFTC") (jointly the "Applicants") hereby apply for waiver of the Commission's freeze on changes of "study area" boundaries set forth in Part 36, Subpart H, Appendix-Glossary of the Commission's Rules. Grant of the requested waiver will facilitate a proposed acquisition of assets of NFTC by NCC, at which time NFTC will cease to be an operating telecommunications service provider. In support of this petition, the following is respectfully shown:

**Factual Background and Purpose of this Petition**

1. NCC, formerly known as Northwest Mutual Aid Telephone Corporation, has been a provider of telecommunications services within the State of North Dakota since 1952, and is subject to regulation and general supervision by the Public Service Commission of North Dakota ("PSC"). NCC, under Certificates of Public Convenience and Necessity issued by the PSC, is

engaged in the business of providing local exchange telecommunications service, exchange access and other telecommunications activities in Williams, Divide, Burke, Ward and Mountrail Counties in North Dakota. As of November 30, 2004, NCC provided service to 5,281 access lines. NCC desires to provide telecommunications service in the Noonan exchange located in a portion of Divide County not now served by NCC. The Noonan exchange has been served by NFTC and its predecessors since 1916. As of December 31, 2003, NFTC provided service to 247 access lines.

2. NCC and NFTC have entered into a Purchase and Sale Agreement for NCC's purchase of NFTC's current assets and facilities relating to the provision of local exchange telecommunications service, exchange access and other telecommunications services in the Noonan exchange. As of the closing date of the transaction (anticipated in early 2005), NFTC intends to cease doing business as a provider of local exchange telecommunications service, exchange access and other telecommunications services, at which time NCC will provide such services in the Noonan exchange. NCC and NFTC have applied to the PSC for all necessary PSC authorization, including a Certificate of Public Convenience and Necessity, for NCC to acquire the NFTC assets and to provide such services in the Noonan exchange.<sup>1</sup>

3. Both NCC and NFTC participate in NECA pools to collect access charges from interexchange carriers at the rates contained in tariffs filed by NECA. In addition, both NCC and NFTC participate as "average schedule companies" and, as such, receive compensation for use of their interstate common carrier services on the basis of formulas approved by the Commission.<sup>2</sup>

### **Identification of Exchange Areas**

4. NCC's current exchange areas are shown on a map attached as Exhibit 1 to this

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<sup>1</sup> NCC and NFTC intend to file a supplement to this petition to provide a copy of the PSC's anticipated order that grants authorization for the transaction and NCC's provision of local exchange telecommunications service, exchange access and other telecommunications services in the Noonan exchange.

<sup>2</sup> See, Section 69.606(a) of the Commission's rules.

petition. As shown, four of NCC's current exchanges border the Noonan exchange of NFTC that is also shown on the map. A separate map attached as Exhibit 2 to this petition depicts the Noonan exchange of NFTC.

5. The Applicants request a waiver of the definition of study area to permit NCC to include the Noonan exchange within the NCC study area upon completion of the proposed transaction.

#### **Application for Waiver**

6. Grant of a waiver is warranted pursuant to the Commission's guidelines for consideration of study area waivers. The Commission froze the study area boundaries to prevent abuse of the Universal Service Fund ("USF"). In this instance there will be no negative impact on the USF since the remaining operating telecommunications service provider, NCC, will receive no more in USF distributions than would be received by NCC and NFTC separately. Here, there is no potential for abuse of the USF as the result of the combination and a waiver should be granted allowing the merger to proceed.

7. Public interest benefits will be recognized from the proposed acquisition of NFTC assets by NCC and NCC's provision of telecommunications services in the Noonan exchange. All NFTC members who subscribe to local exchange telephone service as of the closing date will become full cooperative members of NCC earning capital credits starting as of the closing date. As NCC members the former NFTC members will have Extended Area Service with all NCC exchanges and the Portal exchange in North Dakota at no charge. As members of NCC, the former NFTC members will have access to additional calling features including voice mail. It is NCC's intention to immediately upgrade the NFTC switching equipment capabilities in order that they may function on the NCC ring and be compliant with all CALEA and Local Number Portability requirements. In the past, because of its small size, NFTC has been unable to comply with CALEA

and LNP requirements because of the high cost. For NCC, the transaction is expected to result in operating economies through the ability to serve a larger number of customers.

8. Part 36 of the Commission's Rules "freezes" the definition of study area to the boundaries which were in existence on November 15, 1984. Although the rule was adopted to prevent segregation of territories to artificially maximize high cost support,<sup>3</sup> the Commission on many occasions has recognized that changes "that result from the purchase or sale of exchanges in arms-length transactions" do not raise the concerns which prompted the freeze.<sup>4</sup>

9. The Applicants have filed a joint petition with the PSC which describes their transaction plan and which requests approval for the transaction. NFTC requests to assign its designated geographical service area for the Noonan exchange to NCC. NCC has been designated by the PSC as an eligible telecommunications carrier to receive USF support under Sections 214 and 254 of the Communications Act of 1934, as amended (the "Act"), and requests that its designated geographical service area be expanded to include the Noonan exchange for purposes of determining universal service obligations and support mechanisms under the Act.

### **Conclusion**

10. For the reasons explained, the Applicants request waiver of the study area definition to permit NCC to include the Noonan exchange within the NCC study area upon completion of its acquisition of NFTC assets. Such action will have no negative impact on the USF and will provide

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<sup>3</sup> 1984 Joint Board Recommended Decision, at para. 65.

<sup>4</sup> See, e.g., *Alltel Corporation*, DA 900-1816, File No. AAD 90-14 (rel. Dec. 14, 1990), at 1

public interest benefits as described in this petition.

Respectfully submitted,

**NORTHWEST COMMUNICATIONS  
COOPERATIVE**

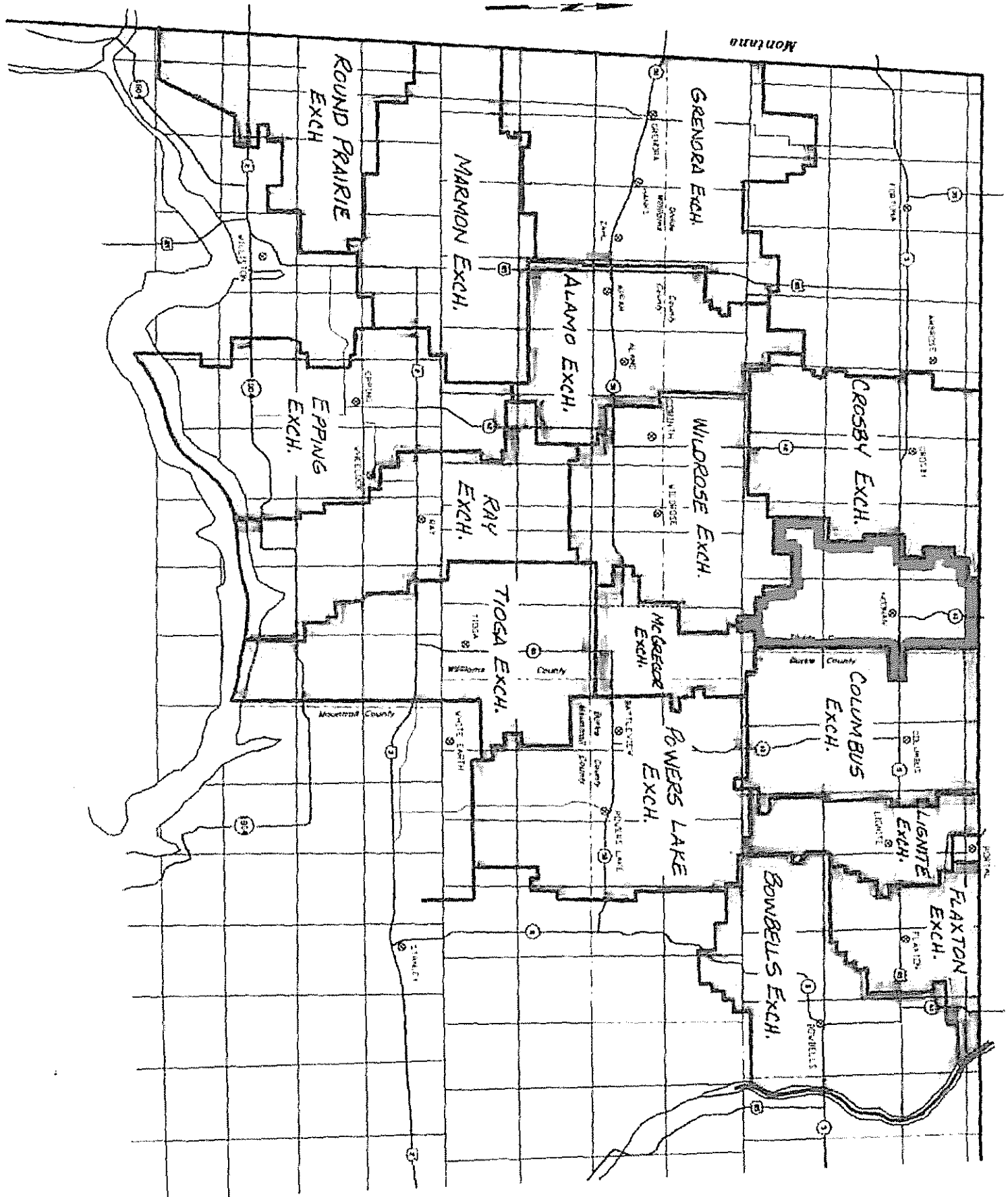
**NOONAN FARMERS TELEPHONE  
COMPANY**

By:   
David L. Nace

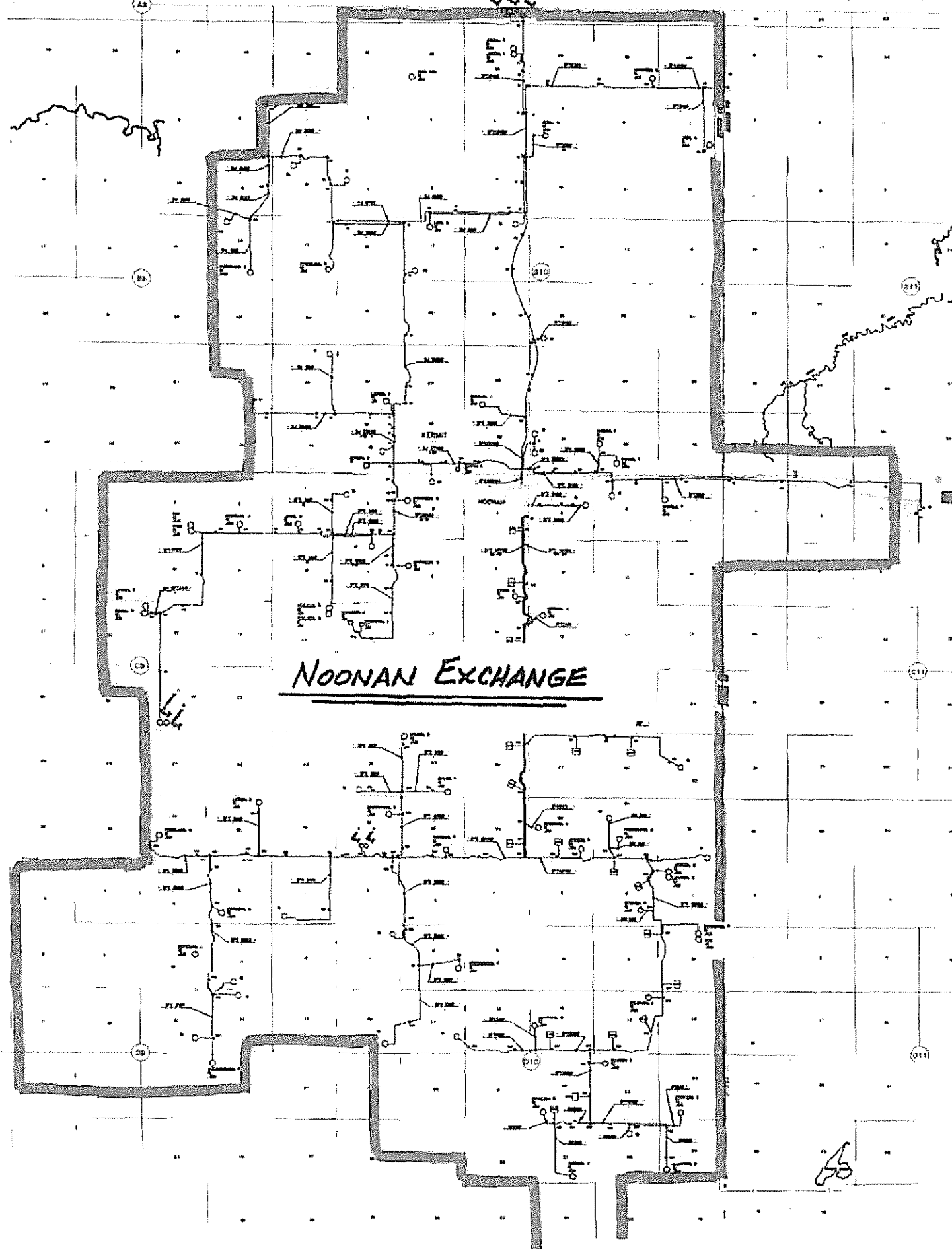
Their Attorney

Lukas, McGowan, Nace & Gutierrez, Chtd.  
1650 Tysons Boulevard, Suite 1500  
McLean, VA 22102  
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December 15, 2004







— NORTHWEST —  
— COMMUNICATIONS —  
— COOPERATIVE —

P O. BOX 38  
RAY, ND 58849-0038

"Bringing Modern Communications to Northwest North Dakota"

PLEASE DETACH AND RETAIN

No. 28037

DATE	INVOICE #	DESCRIPTION	ACCOUNTING	AMOUNT
11/30/2004	2004121044515	FILING FEE-NOONAN ACQ	1439.55	6,840.00
Totals:				----- 6,840.00

NORTHWEST  
COMMUNICATIONS  
COOPERATIVE

P.O. BOX 38  
RAY, ND 58849-0038

"Bringing Modern Communications to Northwest North Dakota"

GENERAL FUND

No. 28037

FIRST NATIONAL BANK & TRUST CO. OF WILLISTON  
WILLISTON, NORTH DAKOTA

77-1077  
913

Six Thousand Eight Hundred Forty and no/100\*\*\*\*\*

9999

FEDERAL COMMUNICATIONS COMM

DC 22102

PAY  
TO THE  
ORDER  
OF

DATE	CHECK NO.	AMOUNT
12/10/2004	28037	\$*****6,840.00

*Dwight L. H.*  
*Mike Steffen*

⑈ 28037 ⑈ ⑆091310770⑆ 5001004⑈